

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission file number 001-14757

EnviroStar, Inc.
(Exact name of Registrant as Specified in Its charter)

Delaware
(State of Other Jurisdiction of
Incorporation or Organization)

11-2014231
(I.R.S. Employer
Identification No.)

290 N.E. 68 Street, Miami, Florida 33138
(Address of Principal Executive Offices)

(305) 754-4551
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, \$.025 par value per share – 7,033,732 shares outstanding as of November 14, 2014.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

EnviroStar, Inc. and Subsidiaries

Condensed Consolidated Statements of Operations

| | For the three months ended September 30, | |
|--|---|---------------------|
| | 2014 (Unaudited) | 2013 (Unaudited) |
| Net sales | \$ 9,044,505 | \$ 8,327,206 |
| Development fees, franchise and license fees, commission income and other revenue | 39,189 | 166,024 |
| Total revenues | 9,083,694 | 8,493,230 |
| Cost of sales, net | 6,997,138 | 6,397,809 |
| Selling, general and administrative expenses | 1,343,557 | 1,412,216 |
| Total operating expenses | 8,340,695 | 7,810,025 |
| Operating income | 742,999 | 683,205 |
| Interest income | 1,057 | 1,201 |
| Earnings before provision for income taxes | 744,056 | 684,406 |
| Provision for income taxes | 280,095 | 258,635 |
| Net earnings | \$ 463,961 | \$ 425,771 |
| Net earnings per share – basic and diluted | \$.07 | \$.06 |
| Weighted average number of basic and diluted common shares outstanding: | 7,033,732 | 7,033,732 |

See Notes to Condensed Consolidated Financial Statements

EnviroStar, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets**ASSETS**

| | September 30, 2014 (Unaudited) | June 30, 2014 (Audited) |
|---|---|-------------------------------|
| Current assets | | |
| Cash and cash equivalents | \$ 4,500,267 | \$ 9,224,340 |
| Accounts and trade notes receivable, net of allowance for doubtful accounts of \$140,000 and \$155,000 respectively | 2,821,680 | 923,788 |
| Inventories, net | 1,974,306 | 2,836,220 |
| Lease and mortgage receivables, net | 11,604 | 12,494 |
| Deferred income taxes | 92,819 | 100,777 |
| Refundable income tax | — | 62,880 |
| Pre-paid and other current assets | 575,348 | 414,079 |
| Total current assets | 9,976,024 | 13,574,578 |
| Lease and mortgage receivables-due after one year | 11,772 | 14,033 |
| Equipment and improvements, net | 216,756 | 181,629 |
| Intangible assets, net | 38,816 | 40,880 |
| Deferred income taxes | 22,179 | 6,967 |
| Total assets | \$ 10,265,547 | \$ 13,818,087 |

See Notes to Condensed Consolidated Financial Statements

EnviroStar, Inc. and Subsidiaries
Condensed Consolidated Balance SheetsLIABILITIES AND
SHAREHOLDERS' EQUITY

| | September 30, 2014 (Unaudited) | June 30, 2014 (Audited) |
|---|--------------------------------------|-------------------------------|
| Current liabilities | | |
| Accounts payable and accrued expenses | \$ 2,229,831 | \$ 4,750,266 |
| Accrued employee expenses | 575,170 | 906,381 |
| Income taxes payable | 224,470 | — |
| Customer deposits | 2,281,640 | 3,670,965 |
| Total current liabilities | 5,311,111 | 9,327,612 |
| Total liabilities | 5,311,111 | 9,327,612 |
| Shareholders' equity | | |
| Preferred stock, \$1.00 par value: authorized shares – 200,000; none issued and outstanding | — | — |
| Common stock, \$0.025 par value: authorized shares – 15,000,000; 7,065,500, shares issued and outstanding, including shares held in treasury | 176,638 | 176,638 |
| Additional paid-in capital | 2,095,069 | 2,095,069 |
| Retained earnings | 2,686,667 | 2,222,706 |
| Treasury stock, 31,768 shares at cost | (3,938) | (3,938) |
| Total shareholders' equity | 4,954,436 | 4,490,475 |
| Total liabilities and shareholders' equity | \$ 10,265,547 | \$ 13,818,087 |

See Notes to Condensed Consolidated Financial Statements

EnviroStar, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows

| | For the three months ended September 30, | |
|---|---|--------------|
| | 2014 | 2013 |
| | (Unaudited) | (Unaudited) |
| Operating activities: | | |
| Net earnings | \$ 463,961 | \$ 425,771 |
| Adjustments to reconcile net earnings to net cash and cash equivalents provided (used) by operating activities: | | |
| Depreciation and amortization | 14,438 | 14,170 |
| Bad debt expense | 5,255 | 4,069 |
| Inventory reserve | — | (1,823) |
| (Benefit) provision for deferred income taxes | (7,254) | 2,169 |
| (Increase) decrease in operating assets: | | |
| Accounts and trade notes receivables | (1,903,147) | 772,746 |
| Inventories | 861,915 | (325,933) |
| Lease and mortgage receivables | 3,151 | 12,267 |
| Refundable income taxes | 62,880 | — |
| Pre-paid and other current assets | (161,269) | 47,481 |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable and accrued expenses | (2,520,435) | 1,224,526 |
| Accrued employee expenses | (331,211) | (874,949) |
| Income taxes payable | 224,470 | 98,466 |
| Unearned income | — | 7,740 |
| Customer deposits | (1,389,325) | 1,016,825 |
| Net cash (used) provided by operating activities | (4,676,571) | 2,423,525 |
| Investing activities: | | |
| Capital expenditures | (47,502) | (4,732) |
| Net cash used by investing activities | (47,502) | (4,732) |
| Net change in cash and cash equivalents | (4,724,073) | 2,418,793 |
| Cash and cash equivalents at beginning of period | 9,224,340 | 5,944,260 |
| Cash and cash equivalents at end of period | \$ 4,500,267 | \$ 8,363,053 |
| Supplemental disclosures of cash flow information | | |
| Cash paid during the period for: | | |
| Income taxes | \$ — | \$ 83,000 |

See Notes to Condensed Consolidated Financial Statements

EnviroStar, Inc. and Subsidiaries
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2014
(Unaudited)

Note (1) - General: The accompanying unaudited condensed consolidated financial statements include the accounts of EnviroStar, Inc. and its subsidiaries (the "Company"). All material intercompany balances and transactions have been eliminated in consolidation.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial statements and the instructions to Form 10-Q and Article 10 of Regulation S-X related to interim period financial statements. Accordingly, these condensed consolidated financial statements do not include certain information and footnotes required by GAAP for complete financial statements. However, the accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting only of normal recurring accruals) which, in the opinion of management, are necessary in order to make the financial statements not misleading. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. The condensed consolidated financial statements should be read in conjunction with the Summary of Significant Accounting Policies and other footnotes included in the Company's Annual Report on Form 10-K for the year ended June 30, 2014. The June 30, 2014 balance sheet information contained herein was derived from the audited consolidated financial statements included in the Company's Annual Report on Form 10-K as of that date.

The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Note (2) - Earnings Per Share: Basic earnings per share for the three months ended September 30, 2014 and 2013 are computed as follows:

| | For the three months ended September 30, | |
|--|---|-------------|
| | 2014 | 2013 |
| | (Unaudited) | (Unaudited) |
| Net income | \$ 463,961 | \$ 425,771 |
| Weighted average shares outstanding | 7,033,732 | 7,033,732 |
| Basic and fully diluted earnings per share | \$.07 | \$.06 |

At September 30, 2014, the Company had no outstanding options to purchase shares of the Company's common stock or other dilutive securities.

Note (3) - Lease and Mortgage Receivables: Lease and mortgage receivables result from customer leases of equipment under arrangements which qualify as sales type leases. At September 30, 2014, future lease payments, (net of deferred interest of \$3,952 at September 30, 2014), due under these leases was \$23,376. At June 30 2014, future lease payments, (net of deferred interest of \$4,952 at June 30, 2014), due under these leases was \$26,527.

EnviroStar, Inc. and Subsidiaries
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2014
(Unaudited)

Note (4) - Revolving Credit Line: Effective November 1, 2014, the Company's existing \$2,250,000 revolving line of credit facility was extended to November 1, 2015. The Company's obligations under the credit facility are guaranteed by the Company's subsidiaries and collateralized by substantially all of the Company's assets. No amounts were outstanding under this facility at September 30, 2014 or June 30, 2014, nor were there any amounts outstanding at any time during fiscal 2014 or the first quarter of fiscal 2015. The loan agreement requires maintenance of certain fixed charge coverage and leverage ratios and contained other restrictive covenants, including limitations on the extent to which the Company and its subsidiaries could incur additional indebtedness, pay dividends, guarantee indebtedness of others, grant liens, sell assets and make investments. The Company was in compliance with these covenants at September 30, 2014 and June 30, 2014.

Note (5) - Income Taxes: Income tax expense varies from the federal corporate income tax rate of 34%, primarily due to state income taxes, net of federal income tax effect, and permanent differences.

As of September 30, 2014 and June 30, 2014, the Company had deferred tax assets of \$114,998 and \$107,744, respectively. Consistent with the guidance of the Financial Accounting Standards Board (the "FASB") regarding accounting for income taxes, the Company regularly estimates its ability to recover deferred tax assets and establishes a valuation allowance against deferred tax assets to reduce the balance to amounts expected to be recoverable. This evaluation considers several factors, including an estimate of the likelihood of generating sufficient taxable income in future periods over which temporary differences reverse, the expected reversal of deferred tax liabilities, past and projected taxable income and available tax planning strategies. As of September 30, 2014 and June 30, 2014, management believes that it is more-likely-than not that the results of future operations will generate sufficient taxable income to realize the net amount of the Company's deferred tax assets over the periods during which temporary differences reverse.

The Company follows Accounting Standards Codification ("ASC") Topic 740-10-25, "Accounting for Uncertainty in Income Taxes" ("ASC 740"). ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. During the three months ended September 30, 2014, this standard did not result in any adjustment to the Company's provision for income taxes.

As of September 30, 2014, the Company was subject to potential Federal and State tax examinations for the tax years 2011 through 2014.

EnviroStar Inc and Subsidiaries
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2014
(Unaudited)

Note (6) - Segment Information: The Company's reportable segments are strategic businesses that offer different products and services. They are managed separately because each business requires different marketing strategies. The Company primarily evaluates the operating performance of its segments based on the categories noted in the table below. The Company has no sales between segments. Financial information for the Company's business segments is as follows:

| | For the three months ended September 30, | |
|---|---|----------------------|
| | 2014 | 2013 |
| | (Unaudited) | (Unaudited) |
| Revenues: | | |
| Commercial and industrial laundry and dry cleaning equipment and boilers | \$ 9,047,514 | \$ 8,420,795 |
| License and franchise operations | 36,180 | 72,435 |
| Total revenues | \$ 9,083,694 | \$ 8,493,230 |
| Operating income (loss): | | |
| Commercial and industrial laundry and dry cleaning equipment and boilers | \$ 857,118 | \$ 752,718 |
| License and franchise operations | (3,936) | 36,796 |
| Corporate | (110,183) | (106,309) |
| Total operating income | \$ 742,999 | \$ 683,205 |
| | September 30, | June 30, |
| | 2014 | 2014 |
| | (Unaudited) | (Audited) |
| Identifiable assets: | | |
| Commercial and industrial laundry and dry cleaning equipment and boilers | \$ 9,573,029 | \$ 13,067,091 |
| License and franchise operations | 574,083 | 576,891 |
| Corporate | 118,435 | 174,105 |
| Total assets | \$ 10,265,547 | \$ 13,818,087 |

EnviroStar Inc and Subsidiaries
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2014
(Unaudited)

Note (7) – Recently Issued Accounting Guidance: In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09, “Revenue from Contracts with Customers.” The standard outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The core principle of the revenue model is that “an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.” The ASU is effective for annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2016. Early application is not permitted. We do not expect this standard to have a material effect on our financial statements.

Management believes the impact of other issued standards and updates, which are not yet effective, will not have a material impact on the Company’s consolidated financial position, results of operations or cash flows upon adoption.

Note (8) – Subsequent Events: Effective November 1, 2014, the Company’s existing \$2,250,000 revolving line of credit facility was extended to November 1, 2015, as discussed in Note 4.

On November 1, 2014, the Company entered into a new three year lease, commencing on November 1, 2014, with 290 NE 68 Street, LLC, which is owned by the Sheila Steiner Revocable Trust, a related party.

Item 2. Management's Discussion and Analysis of Financial Conditions and Results of Operations.

Overview

Revenues for the first quarter of fiscal 2015 increased by 7.0% and net earnings increased by 9.0% when compared to the first quarter of fiscal 2014. For the first three months of fiscal 2015, equipment sales increased by 13.6% which offset a decrease in spare parts sales of 6.1% compared to the same period of fiscal 2014. Foreign sales for the first quarter also increase 61.3% when compared to the first quarter of fiscal 2014.

Inventories decreased by 30.4% during the first quarter of fiscal 2015 as large shipments were made in September 2014, however, inventories are expected to increase during the second quarter to sustain a solid backlog.

Liquidity and Capital Resources

During the first quarter of fiscal 2015, cash decreased by \$4,724,073, compared to an increase of \$2,418,793 during the same period of fiscal 2014. The following summarizes the Company's Condensed Consolidated Statement of Cash Flows.

| | Three Months Ended September 30, | |
|------------------------------|----------------------------------|--------------|
| | 2014 | 2013 |
| | (Unaudited) | (Unaudited) |
| Net cash (used) provided by: | | |
| Operating activities | \$ (4,676,571) | \$ 2,423,525 |
| Investing activities | \$ (47,502) | \$ (4,732) |

For the three months ended September 30, 2014, operating activities used cash of \$4,676,571 compared to \$2,423,525 of cash provided during the same period of fiscal 2014. The cash used by operating activities during the first quarter was mainly due to a decrease of \$2,520,435 in accounts payable and accrued expenses and an increase of \$1,903,147 in accounts and trade notes receivable. These changes reflect large shipments made in September 2014 which are not yet due for payment and equipment purchased by us for which we have not yet paid. Cash was used by a reduction in customer deposits of \$1,389,325 also associated with the large shipments in September 2014. Offsetting this use of cash was the Company's net profit of \$463,961 and non-cash expenses for depreciation and amortization of \$14,438. Cash was also provided by a reduction in inventories of \$861,915 as replacement inventory was not yet received. Refundable income taxes provided cash of \$62,880 and income taxes payable provided cash of \$224,470, reflecting over deposited taxes for fiscal 2014 and income taxes not yet due but accrued for the first quarter of fiscal 2015. Pre-paid and other current assets used cash of \$161,269 and accrued employee expenses used cash of \$331,211 to pay accrued sales commissions and year-end bonuses. All other changes in cash were of a minor nature due to ordinary fluctuations in business activities.

For the three months ended September 30, 2013, operating activities provided cash of \$2,423,525 compared to \$3,893,599 of cash provided during the same period of fiscal 2013. The increase in cash provided by operating activities during the first quarter of fiscal 2014 was primarily due to an increase in customer deposits of \$1,016,825 associated with new orders, and an increase of \$1,224,526 in accounts payable and accrued expenses on purchases made but not yet paid for. In addition, cash was provided by the Company's net earnings of \$425,771 and non-cash expenses for depreciation and amortization of \$14,170. Other increases in cash was provided by a decrease of \$772,746 in accounts and trade notes receivable as payments were received on heavy shipments made during the quarter, an increase of \$98,466 in income taxes payable and a decrease of \$47,481 in pre-paid and other current assets. These increases in cash were offset by a decrease of \$874,949 in accrued employee expenses as sales commissions and year-end bonuses were paid during the quarter. Cash was also used to increase inventories by \$325,933 to support new orders. All other changes in cash were of a minor nature due to ordinary fluctuations in business activities.

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Investing activities used cash of \$47,502 and \$4,732 during the first quarters of fiscal 2015 and 2014, respectively, for capital expenditures.

There were no financing activities during the first quarters of fiscal 2015 and 2014.

Effective November 1, 2014, the Company's existing \$2,250,000 revolving line of credit facility was extended to November 1, 2015. The Company's obligations under the credit facility are guaranteed by the Company's subsidiaries and collateralized by substantially all of the Company's and its subsidiaries' assets. No amounts were outstanding under this facility at September 30, 2014 or June 30, 2014, nor were there any amounts outstanding at any time during fiscal 2014 or the first quarter of fiscal 2015.

The Company believes that its existing cash, cash equivalents and net cash from operations will be sufficient to fund its operations and anticipated capital expenditures for at least the next twelve months and to meet its long-term liquidity needs.

Off-Balance Sheet Financing

The Company has no off-balance sheet financing arrangements within the meaning of Item 303(a)(4) of Regulation S-K.

Results of Operations

Revenues

| | Three Months Ended September 30, | | |
|--|----------------------------------|---------------------|--------------|
| | 2014 | 2013 | % |
| | (Unaudited) | (Unaudited) | |
| Net sales | \$ 9,044,505 | \$ 8,327,206 | +8.6% |
| Development fees, franchise and license fees, commissions and other income | 39,189 | 166,024 | -76.4% |
| Total revenues | \$ 9,083,694 | \$ 8,493,230 | +7.0% |

Net sales for the three month period ended September 30, 2014 increased by \$717,299 (8.6%) from the same period of fiscal 2014. The increase in sales was mainly due to an increase of 13.6% in equipment sales, which offset a 6.1% reduction in spare parts sales. Foreign sales also increased by 61.3% during the first quarter of fiscal 2015 when compared to the first quarter of fiscal 2014.

Revenues of development fees, franchise and license fees, commissions and other income decreased by \$126,835 (76.4%) primarily due to commissions paid to the Company for sales made by a supplier on a direct sale to a customer in the Company's territory, during the first quarter of fiscal 2014.

Operating expenses

| | Three Months Ended September 30, | |
|--|----------------------------------|-------------|
| | 2014 | 2013 |
| | (Unaudited) | (Unaudited) |
| <i>As a percentage of net sales:</i> | | |
| Cost of sales | 77.4% | 76.8% |
| <i>As a percentage of revenues:</i> | | |
| Selling, general and administrative expenses | 14.8% | 16.6% |
| Total expenses | 91.8% | 92.0% |

Costs of goods sold, expressed as a percentage of sales, increased to 77.4% in the first quarter of fiscal 2015 from 76.8% for the same period of fiscal 2014. The slight difference in margins was attributable to product mix.

Selling, general and administrative expenses decreased by \$68,659 (4.9%) in the first quarter of fiscal 2015 over the first quarter of fiscal 2014, mostly due to a decrease in commission expenses, which offset increased commissions paid by the Company for sales made outside the Company's territory. As a percentage of revenues, selling, general and administrative expenses improved to 14.8% from 16.6% for the same comparable period due to lower dollar expenses in the first quarter of fiscal 2015 and the absorption of these expenses over higher revenues.

Interest income decreased by \$144 (12.0%) in the first quarter of fiscal 2015 from the same period of fiscal 2014, primarily due to lower interest rates.

The Company's effective income tax rate for the first quarter of fiscal 2015 decreased to 37.6% from 37.8% for the same period of fiscal 2014. The slight variation reflects changes in permanent and temporary adjustments to taxable income.

Inflation

Inflation has not had a significant effect on the Company's operations during any of the reported periods.

Transactions with Related Parties

The Company leases warehouse and office space under an operating lease from 290 NE 68 Street, LLC, which is owned by the Sheila Steiner Revocable Trust. The trustees of this trust are Sheila Steiner, and her son, Michael S. Steiner. Michael S. Steiner, is Chairman of the Board of Directors, President and a director of the Company. Michael Steiner, individually, is also a principal shareholder of the Company.

On November 1, 2014, the Company entered into a new three year lease, commencing on November 1, 2014, with the Sheila Steiner Revocable Trust. The lease provides for annual rent increases commencing November 1, 2014 of 3% over the rent in the prior year. The Company bears the cost of real estate taxes, utilities, maintenance, repairs and insurance. The Company believes that the terms of the lease are comparable to terms that would be obtained from an unaffiliated third party for similar property in a similar locale. Rental expense under this lease was approximately \$32,000 and \$31,100 in the first three months of fiscal 2015 and 2014, respectively.

Critical Accounting Policies

The accounting policies that the Company has identified as critical to its business operations and to an understanding of the Company's results of operations remain unchanged from those described in the Management's Discussion and Analysis of Financial Condition and Results of Operations section of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2014. The Company makes estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and liabilities, and the reported amounts of revenues and expenses during the reported period. Therefore, there can be no assurance that the actual results will not differ from those estimates.

Adopted Accounting Guidance

Management believes the impact of issued standards and updates, which are not yet effective, will not have a material impact on the Company's consolidated financial position, results of operations or cash flows upon adoption

Forward Looking Statements

Certain statements in this Report are "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this Report, words such as "may," "should," "seek," "believe," "expect," "anticipate," "estimate," "project," "intend," "strategy" and similar expressions are intended to identify forward looking statements regarding events, conditions and financial trends that may affect the Company's future plans, operations, business strategies, operating results and financial position. Forward-looking statements are subject to a number of known and unknown risks and uncertainties that may cause actual results, trends, performance or achievements of the Company, or industry trends and results, to differ materially from the future results, trends, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties include, among others: general economic and business conditions in the United States and other countries in which the Company's customers and suppliers are located; industry conditions and trends; technology changes; competition and other factors which may affect prices which the Company may charge for its products and its profit margins; the availability and cost of the inventory purchased by the Company; the relative value of the United States dollar to currencies in the countries in which the Company's customers, suppliers and competitors are located; changes in, or the failure to comply with, government regulation, principally environmental regulations; the Company's ability to implement changes in its business strategies and development plans; and the availability, terms and deployment of debt and equity capital if needed for expansion. These and certain other factors are discussed in this Report and from time to time in other Company reports filed with the Securities and Exchange Commission. The Company does not assume an obligation to update the factors discussed in this Report or such other reports.

Item 3. Quantitative and Qualitative Disclosures About Market Risks

All of the Company's export sales require the customer to make payment in United States dollars. Accordingly, foreign sales may be affected by the strength of the United States dollar relative to the currencies of the countries in which their customers and competitors are located, as well as the strength of the economies of the countries in which the Company's customers are located. The Company has, at times in the past, paid certain suppliers in Euros. The Company had no foreign exchange contracts outstanding at September 30, 2014 or June 30, 2014.

The Company's cash and cash equivalents are maintained in interest-bearing bank accounts, including a money market account, each of which bear interest at prevailing interest rates.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, management of the Company, with the participation of the Company's principal executive officer and the Company's principal financial officer, evaluated the effectiveness of the Company's "disclosure controls and procedures." As defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"), "disclosure controls and procedures" means controls and other procedures of a company that are designed to ensure that information required to be disclosed by the company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Based on that evaluation, the Company's principal executive officer and principal officer concluded that, as of the date of their evaluation, the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's periodic filings under the Exchange Act is accumulated and communicated to the Company's management, including those officers, to allow timely decisions regarding required disclosure. It should be noted that a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that it will detect or uncover failures within the Company to disclose material information otherwise required to be set forth in the Company's periodic reports.

Changes in Internal Controls

During the period covered by this Report, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 6. Exhibits

(a) Exhibits:

| <u>Exhibit Number</u> | <u>Description</u> |
|---------------------------|---|
| *31.01 | Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 promulgated under the Securities Exchange Act of 1934. |
| *31.02 | Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 promulgated under the Securities Exchange Act of 1934. |
| *32.01 | Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| *32.02 | Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| *101.INS | XBRL Instance Document |
| *101.SCH | XBRL Taxonomy Extension Schema Document |
| *101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document |
| *101.DEF | XBRL Taxonomy Extension Definition Linkbase Document |
| *101.LAB | XBRL Taxonomy Extension Label Linkbase Document |
| *101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document |

* Filed with this Report.

XBRL (Extensible Business Reporting Language) information is furnished and not filed herewith, is not a part of a registration statement or Prospectus for purposes of sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 14, 2014

EnviroStar, Inc.

By: /s/ Venerando J. Indelicato
Venerando J. Indelicato,
Treasurer and Chief Financial Officer

Exhibit Index

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|---|
| *31.01 | Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 promulgated under the Securities Exchange Act of 1934. |
| *31.02 | Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 promulgated under the Securities Exchange Act of 1934. |
| *32.01 | Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| *32.02 | Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| *101.INS | XBRL Instance Document |
| *101.SCH | XBRL Taxonomy Extension Schema Document |
| *101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document |
| *101.DEF | XBRL Taxonomy Extension Definition Linkbase Document |
| *101.LAB | XBRL Taxonomy Extension Label Linkbase Document |
| *101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document |

* Filed with this Report.

XBRL (Extensible Business Reporting Language) information is furnished and not filed herewith, is not a part of a registration statement or Prospectus for purposes of sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael S. Steiner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2014 of EnviroStar, Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
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5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2014

/s/ Michael S. Steiner
Michael S. Steiner
President and Principal
Executive Officer

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Venerando J. Indelicato, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2014 of EnviroStar, Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
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5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2014

/s/ Venerando J. Indelicato
Venerando J. Indelicato
Treasurer and Principal
Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of EnviroStar, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2014, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael S. Steiner, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 14, 2014

/s/ Michael S. Steiner
Michael S. Steiner
Principal Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of EnviroStar, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2014, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Venerando J. Indelicato, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 14, 2014

/s/ Venerando J. Indelicato
Venerando J. Indelicato
Principal Financial Officer
